



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Matthew K. Schatzman, Treasurer
Dynegy Inc., Political Action Committee
1000 Louisiana Suite 5800
Houston, TX 77002

MAY 23 2001

Identification Number: C00350363

Reference: 30 Day Post-General Report (10/19/00-11/27/00)

Dear Mr. Schatzman:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Please amend Schedule B supporting Line 23 by providing the office sought (House, Senate, President), state and congressional district, if applicable, for each contribution made. 11 CFR §104.3(b)(3)(ii) and (v)

-For future reporting, please be advised that only contributions to federal candidates and political committees should be itemized on a separate Schedule B supporting Line 23 of the Detailed Summary Page. Contributions to non-federal candidates and committees should be itemized on Schedule B supporting Line 29.

-Schedule A supporting Line 11(a)(i) of your report discloses contributions received through what appears to be a payroll deduction plan. Please amend your report to disclose the frequency of the deduction and the amount deducted per pay period. 11 CFR §104.8(b) Please refer to the enclosed sample of properly reported payroll deductions.

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our

toll-free number, (800) 424-9530 (at the prompt press 1, then press 2 to reach the Reports Analysis Division). My local number is (202) 694-1130.

Sincerely,

Angel L. Williamson

Angel L. Williamson
Reports Analyst
Reports Analysis Division

PAYROLL DEDUCTIONS

SCHEDULE A ITEMIZED RECEIPTS

Contributions from Individuals

Any information copied from Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for other commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Itemized or Nonitemized

National Organization PAC C00000001

A. Payee Name, Address and ZIP Code		Name of Employer	Date Period	Amount of Each Receipt or Payroll Deduction
Annie Sullivan	21 16th Street	National Organization, Inc.	Payroll deduction	\$90.00
City, State ZIP		Branch Manager	8/18 Biweekly	\$15
Receipts for:	<input type="checkbox"/> Payroll <input type="checkbox"/> Bonus	Aggregate number > 4	265.00	
	<input type="checkbox"/> Other Receipts			
B. Payee Name, Address and ZIP Code		Name of Employer	Date Period	Amount of Each Receipt or Payroll Deduction
Rodney Jones	661 Bainbridge Road	National Organization, Inc.	Payroll deduction	\$120.00
City, State ZIP		Vice President	8/20 Biweekly	\$20
Receipts for:	<input type="checkbox"/> Payroll <input type="checkbox"/> Bonus	Aggregate number > 1	280.00	
	<input type="checkbox"/> Other Receipts			

Itemize payroll deductions only after they have exceeded \$200 per calendar year from an individual.

IN-KIND CONTRIBUTIONS

SCHEDULE A ITEMIZED RECEIPTS

Contributions from Individuals

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Itemized or Nonitemized

National Organization PAC C00000001

A. Payee Name, Address and ZIP Code		Name of Employer	Date Period	Amount of Each Receipt or Payroll Deduction
Martin L. Kress	4 River Road	National Organization, Inc.	8/18/94	\$3,000.00
City, State ZIP		Chairman	(IN-KIND)	(RAFFLE PRIZE)
Receipts for:	<input type="checkbox"/> Payroll <input type="checkbox"/> Bonus	Aggregate number > 1	3,000.00	
	<input type="checkbox"/> Other Receipts			

SCHEDULE B ITEMIZED RECEIPTS/EXpenditures

Operating Expenditures/Other Expenses

Any information copied from Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for other commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

Itemized or Nonitemized

National Organization PAC C00000001

A. Payee Name, Address and ZIP Code		Purpose of Disbursement	Date Period	Amount of Each Disbursement or Payroll Deduction
Martin L. Kress	4 River Road	Raffle prize	8/18/94	\$5,000.00
City, State ZIP		Disbursement for:		
Receipts for:	<input type="checkbox"/> Payroll <input type="checkbox"/> Bonus			
	<input type="checkbox"/> Other Receipts			

Itemize in-kind contributions on both Schedules A and B so as not to inflate the cash-on-hand amount.

Payroll Deductions

Once an individual's deductions aggregate over \$200 in a calendar year, report the total amount deducted from the donor's paychecks during the reporting period on Schedule A. In parentheses indicate the amount that was deducted each pay period. Instead of stating a specific date of receipt, write "payroll deduction" under "Date." The other itemized information, including the year-to-date total, must be completed for each donor. 104.8(b).

EXAMPLE: During an election year, a corporate manager authorizes her employer to deduct \$15 per pay period (each pay period is two weeks) for the company's SSF. The SSF, which files FEC reports on a quarterly schedule, includes the manager's first-quarter contributions (\$90 for six pay periods) as "unitemized contributions" on Line 11(a)(ii) in the April quarterly report.

By June 30 (the closing date for the July quarterly report), 13 pay periods have passed, and the manager's aggregate contributions are \$195—still below the \$200 itemization threshold. The manager's second-quarter contributions again are included in "unitemized contributions" in the July report.

By September 30 (the closing date for the October quarterly report), 19 pay periods have passed, and the manager's contributions reach \$285. Now the committee itemizes the total contributions received from the manager during the third quarter (\$90), providing the year-to-date total in the appropriate space. (See Item A in the illustration above.)

In-Kind Contributions

When determining whether to itemize an in-kind contribution, follow the same guidelines listed above under "When to Itemize Receipts." See page 8 for information on how to determine the dollar value of an in-kind contribution.

In addition, add the value of the in-kind contribution to the operating expenditures total on Line 21(b) (in order to avoid inflating the cash-on-hand amount). 104.13(a)(2).

If the in-kind contribution must be itemized on Schedule A, then it must also be itemized on a Schedule B for operating expenditures. See the illustration at left.